



Metropolitan King County Councilmember

Carolyn Edmonds

Economic Development in North King County

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Dear Neighbor:

Facilitating economic growth in North County is one of my top priorities on the King County Council.

During the past decade, the North County cities have experienced enormous growth and change. Each city has developed its own unique community character and economic strengths. Yet our cities also share many important cultural and economic ties. We must work together to succeed in this global economy.

Growing the North County economy depends on our ability to transform our collection of cities into a vibrant regional economy. This transformation relies on two key ingredients: an understanding of where we are now, and a vision of where we want to go next.

Last fall, I began work on developing a North County economic study and leaders summit. I invited some of North County's best and brightest business, civic, education, and nonprofit leaders to partner on this venture.


This spring, we completed work on the North County economic study. The resulting report examines our current economic conditions in North County, what steps may be necessary to ensure future economic prosperity, and what obstacles we currently face.

In April, hundreds of North County leaders gathered at the North County Economic Summit to examine the report and discuss the next steps. A steering committee has been formed to follow-up on the summit and work on refining and implementing our vision.

I would like to take this opportunity to share with you some of the highlights from the study and summit.

Together we will keep North County a great place to work and live.

Sincerely,


Carolyn Edmonds



King County

North County Economic Study and Leaders Summit

Study guided by local leaders

Councilmember Edmonds provided lead funding for the North County Economic Study and assembled a steering committee of local leaders to oversee the process and raise additional funds. The committee hired Hebert Research to collect and analyze data on North County's economic strengths and weaknesses. The firm was asked to further investigate how North County could better attract and retain businesses.

Hebert Research conducted a detailed survey of 301 North County employers and analyzed existing data on the region. The final report represents one of the most

detailed and current economic analyses of any local economy in the Puget Sound. The complete two volume report and executive summary

are available for download at www.metrokc.gov/edmonds. Several highlights of the study are presented in this newsletter.



Employer Characteristics

The shared characteristics of North County's employers tell quite a bit about the region and our local economy. While the strength of various sectors differs between the five suburban cities, together the 4,960 employers of North county compose a balanced, distinct economic region. Major characteristics include:

- **North County employers are optimistic.** They report expected rises in revenues, increases in numbers of employees, and a willingness to increase spending on short and long-term capital expenditures.
- **North County employers are growing.** Nearly two-thirds increased revenues during 2004 and more than two-thirds expect to do so in 2005. Revenue growth is a key economic indicator.
- **Nearly 80 percent of local business owners and managers live in the region.** There is a strong relation-

ship between the residence of employer leadership and their commitment to the local community. This preference for local residence stands in contrast to other economic regions such as Seattle and South King County, where many of the leaders choose to live elsewhere.

- **The majority of North County employers are well established.** Nearly three-quarters are more than five years old and more than a quarter are 20 years or older. This contributes to the long-term sustainability of the employer base.



Summit presenters Jim Hebert, Carolyn Edmonds, and Bob Drewel.

- **The majority of North County employers are small.** Nearly 88 percent have fewer than 20 employees and more than half have total revenues of less than \$250,000.
- The largest sectors are service (37.2%), retail (14.6%), and finance/insurance/real estate (8.6%).

North County Incomes

North County incomes have grown rapidly over the last several decades. Between 1990 and 2004, the average North County household income increased nearly 59 percent, from \$47,402 to \$75,305. This robust growth rate is consistent with the rest of the Seattle metropolitan area over this period. Average incomes in North County are similar to those in King County as a whole and those in the Seattle metropolitan area. All three areas enjoy considerably higher levels of income than the state and nation as a whole.

North County’s strong income levels allow many residents to afford discretionary retail items and a full range of services, beyond just basic goods and services. Indeed, the retail and service industries are North County’s two largest sectors, and are expected to continue to grow in coming years.

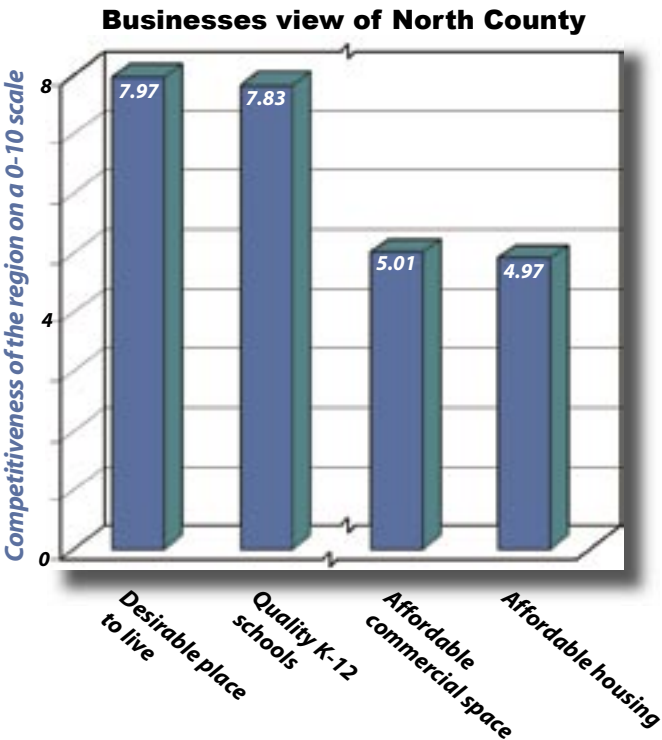
Income in North County is expected to continue to grow and to keep pace with other local regions during the next five years. Common factors that affect household income levels for a region include residents’ education level and types of employment.

Mean household income				
Year	North County	King County	Seattle MSA	Washington State
1990	\$47,402	\$44,884	\$44,117	\$38,156
2000	\$70,347	\$71,101	\$68,591	\$58,653
2004	\$75,305	\$75,434	\$73,458	\$64,169
2009	\$80,905	\$81,788	\$80,128	\$71,319

Economic Competitiveness

The employer survey asked local businesses a variety of questions related to their experiences in North County. One series of questions investigated the region’s perceived competitiveness in a variety of areas. Local em-

ployers overwhelmingly cited two factors as making North County more competitive: the desirability of the region as a place to live and the quality of local K-12 schools. The region rated lowest in the affordability of housing and the affordability of commercial real estate.



Residents of North County value the quality of life their communities provide. North County’s reputation as a great place to live and work draws talented individuals from across the county and across the state. Quality K-12 educational institutions draw young professionals looking to start families. Businesses located in desirable areas with good educational systems are more able to attract and retain the workers they need to grow their companies. This keeps existing businesses strong, and helps attract new companies.

Affordable housing and commercial space, however, continue to be a challenge for the region. Expensive housing makes it more difficult for young workers to start families and build their careers in North County. Expensive commercial space discourages the establishment of new businesses and the expansion of existing ones.

North County Economic Study and Leaders Summit

The Summit and Follow-up

This April, Councilmember Edmonds, Puget Sound Regional Council Executive Director Bob Drewel, and Hebert Research President Jim Hebert presented the study to hundreds of leaders from across North County. The presentations outlined the economic strengths and weakness of the region, and served as a starting point for discussing a shared vision for North County's future.

Community assets attract talented people and capital investments. Effective infrastructure, excellent schools, community open space and parks, and cultural attractions all have a direct impact on the business climate and the quality of life in a region. These factors drive long-term economic growth and are a key to the competitiveness of the region.

Ensuring that North County effectively competes and continues to prosper in the coming years requires

effective planning and partnerships between business, government, and educational institutions. The leaders summit provided an opportunity for decision makers from across a variety of sectors to gather in one place, gain an understanding of where North County stands today, and to begin to collectively plan for the future.

Study organizers have joined with a number of summit participants for ongoing follow-up meetings. This steering committee will continue to develop the North County vision and build the partnerships necessary to make it a reality.

If you are interested in participating in the North County economic steering committee, please contact Councilmember Edmonds' office at carolyn.edmonds@metrokc.gov or 206-296-1001.

Job Growth

North County employers report that they are adding jobs. The region's job base grew from 59,074 in February 2004 to 60,986 in February 2005, an increase of about 3.2 percent. Employers expect job growth to further accelerate in the next two years. The study predicts North County will add an additional 2,651 jobs this year and another 2,827 the following year. The anticipated 2005 North County job growth rate of 4.3 percent compares favorably with forecasts for the state and nation. Recent studies have anticipated 2005 job growth rates at 1.7 percent nationally and 2.0 percent statewide.

Thank You!

North County Study Partners

Anderson House
The Boeing Company
Bothell Chamber of Commerce
Cascadia Community College
Chuck Olson Chevrolet
City of Bothell
City of Kenmore
City of Lake Forest Park
City of Shoreline
City of Woodinville
ClearPath LLC
Councilmember Carolyn Edmonds
Country Village Wine Merchants
Forward Shoreline
Hebert Research, Inc.
Lake Forest Park Merchants Association
Minuteman Press of Kirkland
Shoreline Bank
Shoreline Community College
University of Washington-Bothell
Washington CEO Magazine
Woodinville Chamber of Commerce



Audience members discuss the study and question the panel.

The North County Economic Summit held April 5 at UW, Bothell.

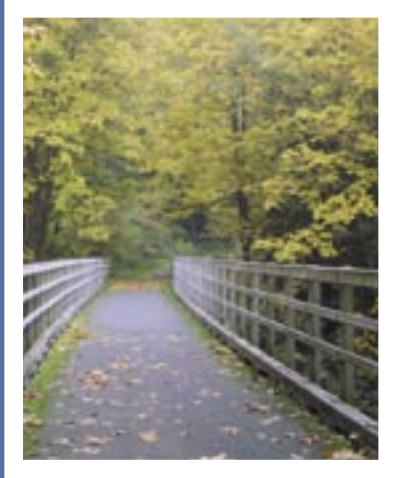


Updates from Carolyn Edmonds on community issues



Adding Regional Trails

I am currently working with the Executive to acquire a 47-mile rail corridor for conversion into a regional trail. The trail would stretch from Renton to Snohomish County, and connect with other regional trails including the Burke-Gilman. The linked systems would provide an unbroken trail from Renton to Seattle to



as far north as Skagit County. Negotiations with Burlington Northern Santa Fe Railroad are ongoing and many issues remain to be resolved. Nevertheless, I am optimistic that the this corridor will one day provide North County residents with opportunities for recreation, healthy life-styles, and alternative transportation.

Funding Human Services

I have devoted numerous hours as chair of King County's Legislative Steering Committee to lobbying the legislature for human services funding. My experiences have led me to believe that King County needs a dedicated funding source for human services to support our most vulnerable populations. I am currently working with the King County Alliance for Human Services and other human service providers to devise a plan to provide a dedicated funding source that provides broad-based funding for all community and health related services throughout the County.

Solving Homelessness

On May 16, I hosted the King County Council at the Lake City Elks Club for a meeting on ending homelessness. The Council was briefed on the Ten-Year Plan to End Homelessness, and took public comment from human service providers and residents of my district. I have been working for the past year to address this important issue. Many challenges remain, but I believe that working together we can ensure a roof over every bed in King County.

The beginning of May, the Council passed my legislation

setting standards for homeless encampments on private land in unincorporated King County. In drafting this legislation, I met with church leaders, neighborhood residents, social service providers, and the homeless. I worked to ensure that everyone had a place at the table. The legislation establishes a public process for issuing permits, ensures that those who live near a proposed encampment have a voice before the decision is made, and provides churches the ability to continue to assist those in need.

***For more information on Human Services Funding, solutions to homelessness and much more, please visit my website at:
www.metrokc.gov/edmonds.***



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North County Economic Development

In the community...

Carolyn Edmonds and Seattle Mayor Greg Nickels tour Lake City Way businesses to discuss economic development and other local issues.



The April 30 tour also included stops at community cleanup projects, the North Seattle Family Center, and time for discussing issues with local residents.